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REPORT OF THE GROUP OF EMINENT PERSONS ON INTERGOVERNMENTAL STRUCTURE SUBSIDIARY TO THE COMMISSION, TO THE EXECUTIVE SECRETARY OF ESCAP

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INTRODUCTION

1. The Commission, at its forty-sixth session in June 1990, considered the report of the Executive Secretary which provided an assessment of the effectiveness of the conference structure as requested by Commission resolution 262 (XLIII) of 30 April 1987. It endorsed the proposal of the Executive Secretary that the secretariat, with the advice of a group of eminent persons, conduct an in-depth study on the intergovernmental structure subsidiary to the Commission. The study would examine the existing inter-governmental structure and suggest changes, or even a new structure if it considered that necessary, in order to maximize the efficiency and effective operation of the Commission. (The terms of reference of the study are provided as annex I to the present document). It requested the Executive Secretary to submit his report on the reorganization of the subsidiary structure, based on the findings and recommendations of the group, to the Commission at its forty-seventh session.

2. The Commission recommended "that the terms of reference of the group of eminent persons should go beyond a review of the committee structure and provide a sharper vision of the role of the Commission in facing development challenges in the coming decades. The group should evolve proposals for improved structures and procedures by which the Commission could respond more efficiently and effectively to the development aspirations of its members and associate members and meet their fast-changing needs in the light of emerging economic and social development trends. It was also suggested that the group of eminent persons should review the relevant aspects of the proposed ESCAP council for regional economic co-operation in the context of the conference structure."[1]

3. Fourteen persons, from as many member countries, known for their extensive knowledge of and experience in development activities in the region as well as for their familiarity with the functioning of the United Nations system, participated in the Group of Eminent Persons. (The list of members of the Group is provided as annex II to the present document).

4. The Group met at the headquarters of ESCAP at Bangkok from 27 to 31 August 1990 and 17 to 21 December 1990. Mr. Saburo Okita of Japan served as Chairman of the Group and the Hon. Senator Leticia R. Shahani of the Philippines as Vice-Chairman. In her absence in the second meeting Mr. A.M.A. Muhith acted as Vice-Chairman. Professor Kramol Tongdhamachart and Mr. A.M.A. Muhith were appointed as Rapporteurs by the Group.

5. The Executive Secretary, in welcoming the Group of Eminent Persons, expressed his deep appreciation of their kindness in agreeing to undertake that difficult task. He stated that their acceptance of his invitation reflected their commitment to the ideals of the United Nations and the objectives that it sought to promote.

6. The Executive Secretary observed that over the years the Commission had become the most important regional forum for the member countries. It had provided opportunities for them to meet every year at the ministerial level to review and discuss economic and social issues from the point of view of the Asian and Pacific region in order to promote and strengthen regional co-operation. The Commission had shown a high degree of sensitivity to the efficiency and effectiveness of its intergovern-mental structure and the subject had been almost a constant preoccupation of the Commission since the 1970s. It would appear that, in sharp

[1] Report of the Economic and Social Commission for Asia and the Pacific on its forty-sixth session (*Official Records of the Economic and Social Council, 1990, Supplement No. 11*) (E/1990/40-E/ESCAP/748), para. 691.

contrast to the Commission itself, its membership was not deriving many useful results from the performance of the subsidiary bodies. The relative lack of vitality of the subsidiary structure had been a matter of concern to the Commission. He requested the Group to analyse the situation from a historical and developmental perspective through an unhindered exchange of ideas and views and, in its wisdom, to find worthwhile answers to that vexed question which could then be translated into formal proposals for the revised structure.

7. Promotion of regional co-operation was a basic mandate of the Commission and had always been its major concern. Today, the need for such co-operation had become much greater than ever before. It was imperative for members and associate members to recall the spirit of the Tokyo Declaration of 1967 encouraging them to develop a "common will", and to take collective action in order to meet the challenges of the far-reaching developments in the economic field around the world. It was against such a background that the proposal had been made to revive an institution, the Council of Ministers for Asian Economic Co-operation, which had served the member countries for a long time and had contributed a great deal to regional co-operation in the economic sector, especially through the Kabul Declaration. However, the Council had not met in the 1970s and, subsequently, it had ceased to be a part of the conference structure. The Executive Secretary hoped that in considering the proposal, the Group would keep that historical background in view, reflect on the reasons for the repeated set-backs for strengthening economic co-operation in the region and enable the Commission to function as a potent regional instrument to enhance such co-operation.

8. The Executive Secretary expressed his appreciation to the Government of Japan of the very generous funding provided for the study and the convening of the meetings of the Group and to the Government of the Netherlands of its supplementary funding.

9. The task of the Group was to review the mandate and the achievements of ESCAP as well as its strengths and weaknesses. The mandate of the Commission comprised four main functions: to promote regional co-operation; to carry out or sponsor studies and investigations; to collect, collate and disseminate information; and to provide technical assistance. (The terms of reference of the Commission are provided as annex III to the present document.) In carrying out its mandate, the Commission had made some major contributions to the development of the Asian and Pacific region: development of financial institutions such as the Asian Clearing Union, the Asian Development Bank and the Standing Committee on the Bangkok Agreement; institution-building such as the Asian and Pacific Centre for Transfer of Technology, Asian and Pacific Development Centre, Regional Co-ordination Centre for Research and Development of Coarse Grains, Pulses, Roots and Tuber Crops in the Humid Tropics of Asia and the Pacific, and the Statistical Institute for Asia and the Pacific; establishment of regional commodity bodies such as the Asian and Pacific Coconut Community, the Association of Natural Rubber Producing Countries, the Pepper Community, and the Southeast Asia Tin Research and Development Centre; the strengthening of the regional physical infrastructure through the Asian Highway, Asia-Pacific Telecommunity, Committee for Co-ordination of Joint Prospecting for Mineral Resources in Asian Offshore Areas and the South Pacific Applied Geoscience Commission; river basin development through the Interim Committee for Co-ordination of Investigations of the Lower Mekong Basin; the strengthening of food security in the region through projects such as the Fertilizer Advisory, Development and Information Network for Asia and the Pacific and the Regional Network for Agricultural Machinery; and assistance in energy

development through the Pacific Energy Development Programme and the Regional Energy Development Programme.

10. In following its broad mandate, the Commission had developed the expertise to deal with multisectoral issues. It had gained comparative advantage over sectoral agencies of the United Nations inasmuch as it had in-house multisectoral capabilities, which enabled it to handle complex development issues spanning various disciplines. Increasing attention had also been paid to the social aspects of development.

11. The report of the Group comprises six chapters. Chapter I presents an overview of the changing needs and priorities in the Asian and Pacific region. Chapter II discusses the sectoral organization of ESCAP as a basis for structural reform. Chapter III recommends a revised intergovernmental structure subsidiary to the Commission based on a thematic approach. Chapter IV presents a case for strengthening regional economic co-operation and recommends the establishment of a standing committee on regional economic co-operation which would function under the overall direction of the Commission. Chapter V examines several related issues which would enhance the efficiency of the secretariat and the effectiveness of the Commission in fulfilling its mandate. Chapter VI is a summary of the recommendations of the Group.

I. CHANGING NEEDS AND PRIORITIES IN THE ASIAN AND PACIFIC REGION

12. The Group took note of the changed political scene in the world following the *rapprochement* between the superpowers and the developments in Eastern Europe. Political ideologies had undergone drastic changes and there had been concomitant changes in economic policies and practices. The concept of a centrally planned economy was fast losing currency. Countries were shedding political and economic ideological rigidities, and becoming committed to political pluralism and accommodative of economic development through the market economy. Domestic demands for better living conditions contributed further impetus to these changes. Such developments were resulting in increased affinity between Eastern Europe and Western Europe, where the movement towards a single European market was already posing a challenge to the world. Countries in the Asian and Pacific region would surely be affected by such developments and ESCAP should therefore take steps to help its members and associate members forestall any adverse consequences and take advantage of the new possibilities that might arise.

13. It was recognized that the State had a role to play in directing a country's economy at a certain stage of its development; however, the quality of intervention had to change with time and there ought to be a liberalization of controls and a move towards a market economy. It was necessary to shed the excessive preoccupation with the past and take bold steps through appropriate policy decisions to regenerate stagnant economies. Very useful lessons for other countries could be derived from the experience of countries like Japan and the Republic of Korea where the trend towards an increasingly free market economy had resulted in spectacular economic strength.

14. None could deny the need of most developing countries for assistance, investments and loans from foreign sources. Some countries were able to obtain those but others were not. Since such assistance and investments came

largely from the private sector countries which had not received that kind of assistance would have to create an environment to attract private investment. In some countries the private sector and the transnational corporations were still viewed with apprehension based essentially on past experience. Those countries did not fully appreciate the changes that had taken place in the behaviour and operations of the private sector, specifically of the transnational corporations.

15. ESCAP should carry out carefully planned studies and suggest options to assist developing countries to redirect their policies for the restructuring of their economies. An objective assessment of the roles of the public and private sectors would be an exceedingly timely contribution, as would the undertaking of studies on the role of the private sector in the economically advanced countries and on the optimum mix between public and market economies, taking into account the need for balanced development. The role and rationale of people's groups (co-operatives, non-governmental organizations etc.) in national development should be studied and their contribution promoted.

16. In spite of the global *rapprochement*, there was potential for regional conflicts around the world, including the ESCAP region. Since political and economic factors were closely linked, ESCAP should conduct studies on the performance of different economic systems and, on the basis of those studies, provide the Governments of members and associate members with pragmatic policy options for their consideration.

17. Increasing regionalism in different parts of the world was creating the potential for the emergence of economic blocs. Such blocs could lead to preferential trade practices as well as to varying degrees of protectionism. Many Asian countries still accorded greater importance to trade with Europe and North America than to intraregional trade. In some countries that was partly influenced by an economic relationship characterized by aid dependency. With the emergence of blocs, it was likely that the entry of Asian and Pacific countries into the markets of Europe and North America would become more and more difficult. The new political alignments would perhaps aggravate an already difficult situation. Hence, there was a very strong case for augmenting intraregional trade within the Asian and Pacific region. The domestic expansion that was taking place in many countries in the region, especially in East Asia, also provided an opportunity for such intraregional trade expansion. Enhanced intraregional trade would help offset any adverse impact upon the economies of the ESCAP region of economic fluctuations in the developed countries of other regions. It would strengthen the spirit of interdependence among the Asian and Pacific countries. Increasing intraregional trade did not imply creating a new trading bloc or running counter to the concept of the global free trade system but meant more trade among the countries of the ESCAP region.

18. Even in the short span of the 1980s, the world had witnessed remarkable development of technology. It had brought about far-reaching changes within and between countries all over the world. It had revolutionized manufacturing processes. Many developing countries had benefited from technological progress and were successfully utilizing state-of-the-art technology or something very near to it in their industries. But the benefit had accrued essentially to those economies that followed an export-oriented strategy and had to ensure that their products retained competitiveness in the global market. In the economies that were depending only on import substitution or on an inward-looking strategy there was no such compulsion to upgrade technology. As a result, a gap was growing between the developing countries that had achieved substantial economic growth by

adopting an export-oriented strategy and those which had been rather inward-looking and did not have or had not even sought access to modern technology. Moreover, some of the technologies were closely guarded and were not easily available, therefore developing countries would have to make some and buy some. The ability to attract transnational corporations with their substantial hold on technology and on foreign investment which would bring with it new technologies was crucial for the economic development of developing countries. In that respect, ESCAP had taken an important step by establishing the Asian and Pacific Centre for Transfer of Technology; ESCAP should continue to treat technology transfer and adaptation as a priority item in its work.

19. Apart from purely economic issues, there were other issues which would impose a heavy responsibility upon ESCAP to assist its members and associate members in their social and economic development programmes. Poverty alleviation was such an issue. It would appear that several decades of development activities had not made much of a dent in the extent of poverty in the region. In some countries, the percentage of the population living below the poverty line had remained static and, perhaps, had even gone up. Ensuring the meeting of the basic needs of the people and improving their purchasing power through carefully formulated policies would be the best insurance against social disorder and social upheavals. Economic growth should be pursued in quest of equity.

20. Attention needed to be drown to the role of women in development. Although they constituted half of the population in most developing countries women were usually bypassed by development efforts even though they were involved in every economic activity. Yet women had an immense potential to change the work ethic, increase national productivity and upgrade the quality of human resources. Another subject of great significance to economic growth was the conservation and protection (and in many cases improvement) of the environment. Most economic activities, such as the exploitation of natural resources, particularly the use of land, water and forest resources, the harnessing of energy resources - infringed on ecological systems. For the growing population of the world and for the future of mankind the environment had to be safeguarded. Development had to be sustainable - nationally, through a country's own efforts and internationally through a global environmental outlook. Such problems needed to be addressed very urgently through an interdisciplinary approach.

21. There were other issues as well which needed an interdisciplinary approach and had to be addressed urgently. There was great disparity in the performance of various developing countries with regard to issues of human development. Human development was dependent on much more than mere output or trade growth. Environmental management, energy development, human resources development, population planning or social development were important aspects in human development in which experience had been diverse. Without doubt, economic growth was a necessary condition for good performance on these issues, but it was not a sufficient condition. Even at a low level of overall economic growth, it was possible to tackle such issues better through the selection of appropriate strategies.

22. In the handling of the complex issues referred to in chapter I of the present document, the experience of different countries needed to be pooled and multisectoral approaches devised. The Group felt that ESCAP was well equipped to undertake that task. Given the multidisciplinary expertise of its staff and its commitment to enhancing regional co-operation, ESCAP, with some appropriate structural readjustments, could play a very effective role in the region.

II. SECTORAL ORGANIZATION OF ESCAP

23. The Group took note of the fact that the intergovernmental structure subsidiary to the Commission was organized on a sectoral basis and that the evolution of the structure over the years had adhered to the same pattern. There were seven legislative committees, each one of which had the responsibility for reviewing regional and global developments in its area of sectoral concern, conducting an in-depth examination of regional issues, and of national issues which required intercountry action, identifying new concerns and problems which needed to be considered by the Commission in setting priorities, providing direction and guidelines for the secretariat's programme of work and, in general, assisting the Commission through prior review of issues and proposals in the committee's area of interest.

24. The seven legislative committees were: Agriculture, rural development and the environment; Development planning and statistics; Industry, technology, and human settlements; Natural resources and energy; Population and social development; Shipping, transport and communications; and Trade (including transnational corporations). In addition to the legislative committees, ESCAP convened *ad hoc* ministerial conferences to address special areas of concern to the region. Expert groups, *ad hoc* in nature, also contributed to identifying problem areas and to assisting in establishing priorities. Furthermore, there were three subsidiary regional institutions of the Commission: the Asian and Pacific Centre for Transfer o .echnology (APCTT); the Regional Co-ordination Centre for Research and Development of Coarse Grains, Pulses, Roots and Tuber Crops in the Humid Tropics of Asia and the Pacific (CGPRT Centre); and the Statistical Institute for Asia and the Pacific (SIAP).

25. The Group noted that some of the legislative committees dealt with more than one sector, although the sectors were not totally related to each other. It also noted that there were subjects which transcended the concerns of any one committee but for the obvious purpose of finding a niche for them in the structure, they had been placed where they were. There were committees which encompassed several subsectors and because each subsector had to be treated separately, experts from more than one area needed to be present at the committee sessions. That factor, along with the biennial frequency of the sessions, militated against an in-depth consideration of the subsectors.

26. The Group took note of the evolution of the intergovernmental structure subsidiary to the Commission and, in particular, of its shortcomings and of the difficulties experienced since the reorganization in 1988 pursuant to Commission resolution 262 (XLIII) of 30 April 1987. Some of those difficulties were that the level of representation of the countries on the legislative committees had been low, the committees had not always attracted the appropriate expertise, and, in the case of the merged committees, the anticipated cross-fertilization of ideas had not materialized. The technical and legislative competence of the committees would appear to have waned. Therefore, there was a need to examine the structure afresh and to recommend a structure which would be more conducive to the efficiency and effectiveness of the work of the Commission in the context of the changed economic order world-wide.

27. The secretariat was also organized sectorally to service those committees and to carry out their work programmes. The nine substantive divisions of the secretariat were: Agriculture and rural development; Development planning; Industry, human settlements, and the environment; International trade and tourism; Natural

resources; Population; Social development; Statistics and Transport and communications.

28. Currently there were about 250 the Professional posts in the secretariat. Of those, 180 posts (representing 110 for substantive programmes and 70 for executive direction and programme support) were borne on the regular budget. While the number of posts under extrabudgetary provisions varied from time to time depending upon the nature of the projects under implementation, about 50 posts (over 80 per cent in substantive programmes) had been made available on extrabudgetary funds during the past years and about 20 posts (representing about 15 for substantive programmes and about 5 for executive direction and programme support) had been provided by donor countries on a non-reimbursable loan basis. The total of about 240 staff members in substantive programmes represented a variety of disciplines and included persons with managerial skills and those with high-level technical expertise. Persons with specialized expertise were recruited as short-term consultants when required.

29. Thus, ESCAP was organized sectorally in its subsidiary intergovernmental structure, in its programme and in its secretariat. However, the importance of a multidisciplinary approach had been explicitly recognized by the Commission. In pursuance of such an approach, the Executive Secretary had been continuously encouraging joint programming and execution of activities among the divisions and establishing inter-divisional task forces and working groups.

30. In areas of its mandate, ESCAP had done useful work since its inception in 1947. Its approach to many of the development issues in the social and economic fields was becoming increasingly intersectoral. Whereas the comparative advantage of ESCAP over the specialized agencies was its multidisciplinary strength, it had not used that advantage appropriately and its activities had remained largely sectoral. The Group recognized that ESCAP had been vested with the role of providing team leadership and responsibility for co-ordination and co-operation within the United Nations system at the regional level. That involved respecting the capabilities of the other agencies and leaving sector-specific activities to specialized agencies that had competence in the respective disciplines. ESCAP should engage itself in areas of work in which the specialized agencies did not have the competence and in multisectoral or socio-economic issues, particularly at the regional level.

31. ESCAP should study policy-induced changes which had led to significant progress in the development process and spearhead a movement to help the members evolve comprehensive policies based on scientific principles and on lessons learned in the past, and to implement those policies. In that context, the Group thought that the study and research capacity of ESCAP should be strengthened. It noted that in the early days of the Commission, policy studies had been given much importance because the Governments had needed that kind of assistance to formulate their development policies. When national and regional research and training institutions were established and when other agencies also started doing research, ESCAP had turned its attention to the provision of technical assistance services. The current structure of ESCAP was geared towards providing technical assistance to those member and associate member Governments which requested such assistance and its staff were similarly oriented. However, with the changing situation in the world, the Governments in the region were facing new challenges and problems and, once again, were in need of assistance in policy formulation. ESCAP should identify and anticipate such problems and undertake studies on those subjects as well as direct its technical advice/assistance activities towards the problems being studied, thus establishing effective

interaction between research and operational activities.

32. The Group felt that in order to enable ESCAP to respond more effectively to the emerging needs of its members and associate members, it would have to reorient its substructure and activities to conform to the changed situation.

III. THEMATIC APPROACH AS THE PREFERRED ALTERNATIVE

33. The Group reviewed the past performance of ESCAP. It also took note of the changes in approach to the formulation and implementation of development policies and programmes that were taking place in the countries of the region. Against that background, it considered it advisable for ESCAP to conform more in its operational activities to its professed orientation towards an intersectoral approach to social and economic development. Member countries had realized that seemingly intractable problems had to be tackled not piecemeal, but on an integrated basis. Resolution of problems relating to preservation of the environment, poverty alleviation, improving the status of women, technology adaptation, rural development and sustainable economic development needed multisectoral inputs and effective co-ordination. Some of the Governments had already started to translate that into action programmes. At the global level also there was much greater understanding among agencies concerned with stimulating the development process that production of national wealth and improvement of the quality of life depended as much upon factors such as investment and strengthening of the infrastructure as upon developing human capital by upgrading health, education and skills.

34. The Group recognized that before an organization could embark upon an action programme, it had to have a clear idea of its purpose, objectives, structure, staff, budget and methods. The Group was primarily concerned with the objectives, structure and methods. It would examine those in depth and make appropriate recommendations. Regarding the staff and budget, the Group would make only indicative comments on which the secretariat could reflect more deeply and take suitable action.

35. The main objective of the Commission was to help the developing countries of the region to meet more effectively and efficiently the challenges faced by them; the world was on the threshold of a new phase of development in the 1990s in view of the changing economic order in the world with its considerable emphasis on regional alignments. ESCAP could help its members and associate members by enhancing regional co-operation among them; that would also facilitate integration with global forces of development. Towards that end, ESCAP should increase and readjust the technical assistance component of its activities and undertake topical and timely intercountry and comparative studies.

36. Before proceeding to develop the subsidiary structure, the Group agreed on what should be the attributes of such a structure. The structure of ESCAP had evolved largely on the basis of a sectoral concept. That concept was slowly exhausting its utility. The Group strongly felt that a thematic approach to organizing the structure would be conducive to greater effectiveness in the work of the Commission. That approach would be more in keeping with the Commission's intersectoral approach to development issues and could best muster the multidisciplinary expertise of the staff of the secretariat. In order to bring about that change, a political mandate would be necessary from the Commission.

37. The Group observed that the Commission had already taken a few steps in that general direction. Since its fortieth session, each annual session of the Commission had considered a special theme in order to make its deliberations more specific, and to help focus the attention of its members and associate members on a particular problem area. That step did reinforce the multisectoral orientation of ESCAP. The secretariat followed up the decisions of the Commission by establishing interdivisional task forces and mounting multidisciplinary missions to countries to study a problem in its total perspective and to develop interdisciplinary operational activities. However, perhaps because of the sectoral nature of the intergovernmental structure subsidiary to the Commission as well as that of the secretariat, those moves had not resulted in significant changes in the pattern of work of the Commission.

38. The Group felt that the work of the Commission ought to be organized around themes related to the current and emerging problems of the countries of the region. As a first step in that direction, it would be necessary to assess the emerging needs of the countries in the short and medium term as well as in the long term.

39. The major issues likely to arise in the next 5 to 10 years would have to be identified and appropriate themes developed to address those issues. Obviously, some of the themes, such as poverty alleviation, transfer of technology and intraregional trade would retain interest over a long time span and the work related to them would have to be planned accordingly. Other themes, such as the role of the private and public sectors, would be of immediate relevance and importance and, perhaps, could be considered within a shorter time frame. Both kinds of themes should be selected. The most important consideration should be that the themes should catch the imagination and meet the concerns and interests of member and associate member Governments and should motivate them to participate in a meaningful way in the appropriate forums of the Commission and in its work.

40. Each theme would be multisectoral in nature and action programmes connected with it would need multidisciplinary inputs. The themes put together over time could cover the gamut of activities in regional and national social and economic development programmes for which ESCAP had the special expertise and for which it had a mandate. Each theme would have a cluster of related tasks to indicate the scope of its coverage (see annex V which should not be considered as a rigid listing). New themes could be added when necessary and old ones excluded when they were no longer relevant.

41. With regard to the identification of themes, after discussing several alternatives, the Group decided that, as an initial step, it would suggest some themes based on its perception of the current and emerging needs of the region as a whole. However, those themes should not become self-perpetuating; there would have to be a mechanism to replace themes that no longer had priority by ones that were more topical. Suggestions for new themes for consideration by the Commission could emanate from the proposed standing committee for regional economic co-operation, the thematic and technical committees, the special bodies, the advisory group or the *ad hoc* ministerial conferences. There should be selectivity in the adoption of themes. They should be intersectoral in nature and should not duplicate the work of specialized agencies, but where appropriate inter-agency programmes should be developed.

42. While the Group felt very strongly about organizing the total work programme of ESCAP around a limited number of themes, it was noted that there were some practical difficulties in switching to a new system all at once. At present,

work programmes were prepared sectorally, legislative committees represented the sectoral interests of member countries and the secretariat of ESCAP was also organized in sectoral divisions, as were the different ministries and departments of the Governments of the member countries. The Group, however, noted that several Governments, when confronted with a problem of a multisectoral dimension for which an interdisciplinary approach was required, had already established an interministerial or interdepartmental group to serve as the nodal point for that. It was further noted that ESCAP itself had recently been organizing some task forces around selected themes.

43. The Group, therefore, was of the view that, while keeping a thematic approach as the ultimate goal, the work of the Commission could be organized for a transitional period through a blend of sectoral and thematic approaches. The Group identified three themes: regional economic co-operation, environment and sustainable development, and poverty alleviation and economic growth. While a great deal of the programme of work would revolve around those three themes, other activities would, for the time being, be organized essentially on a sectoral basis. For regional economic co-operation, there would be a standing committee (This subject is dealt with in the chapter IV of the present document). For the other two themes, the Group recommended that periodic meetings of thematic committees be held to formulate, guide and monitor the Commission's programme of work. For the programme of work in the sectors, the Group recommended five technical committees: (i) energy development and natural resources; (ii) trade, industry and technology; (iii) population, human resources and social development; (iv) statistics; and (v) transport and communications. The Group also identified a limited number of tasks that thematic and technical committees should undertake over time. Those tasks are enumerated in annex V to the present document. The list was indicative and not exhaustive. The Group, however, cautioned that for ESCAP to carry out the tasks effectively the number of theme tasks should not be unduly expanded.

44. The Group recommended the establishment of two special bodies for the least developed and the land-locked developing countries, and the Pacific island countries. Membership of those bodies would be open to all members and associate members of the Commission. The primary function of the two bodies would be to ensure that the special needs and concerns of those groups of countries were met adequately in the programme of work of the standing committee, the technical committees and the advisory group, and that global and regional mandates and directives with regard to those countries were fulfilled appropriately.

45. The standing committee was conceived of as a ministerial or subministerial body. The thematic committees and the special bodies would generally be convened at the level of senior officials. The technical committees would have senior government officials or experts representing the member countries. The proposed bodies would report to the Commission and receive directives, if any, from it.

46. In view of the extensive and rapid changes taking place in the global economy and particularly in the region, the Group recommended that the Executive Secretary should convene an advisory board on development policy on an annual basis. The board should be representative of Governments, academia and the private sector.

47. The Group noted with satisfaction that many ministerial conferences had been organized successfully. It felt that such conferences should be *ad hoc* in nature and convened by the Commission to consider subjects of special concern to its members and associate members. Ministerial conferences would undertake an

overall review of specific subjects and provide policy directives for the work of the Commission. The findings and recommendations of the conferences would be submitted to the Commission. The Group emphasized that there should be an in-built mechanism for follow-up and implementation of the recommendations of such conferences. Topics suggested for *ad hoc* ministerial conferences were: the environment; social development; women in development; poverty alleviation; urbanization; industry and technology; international trade; and population.

48. With regard to the periodicity of meetings of the various bodies in the proposed structure, the Group took note of the fact that the experts and officials of the European Economic Community and the Organisation for Economic Co-operation and Development met much more frequently than those of the Commission. In fact, the experts on a given subject met every three months, came up with tangible proposals and reported to their ministers in order to enable them to take decisions on new policies or to provide new guidelines. If the Commission intended to influence policies and become more action-oriented, the frequency of meetings at all levels would have to be much greater. Otherwise, meetings of experts or senior officials held once every two years and ministerial conferences held once in 5 or 10 years would not be able to accomplish very much.

49. However, the Group, while appreciating the salutary effects of frequent meetings, especially at the working level, stated that the Asian and Pacific region was very different from Europe, in terms of both distances to be traversed to attend meetings and the relative lack of affluence of the members and associate members of the Commission. Until such time as the Commission was able to mobilize resources to defray the costs of travel and subsistence allowance for Government representatives, those costs would have to be borne by the Governments. That would impose severe hardship on many of the Governments in the region and, perhaps, result in incomplete or inadequate representation on the subsidiary bodies of the Commission. The different bodies, therefore, would have to meet less frequently but on a regular basis. However, it should be possible for working groups to meet frequently on important topics.

50. The Group was of the view that the standing committee for regional economic co-operation should meet as often as necessary, at least once a year. The thematic committees and the two special bodies could be scheduled biennially. The technical committees should meet biennially and *ad hoc* ministerial conferences should be held as and when required, usually once in four or five years.

51. The Group recognized that implementation of its recommendations would devolve new responsibilities on the secretariat. There would be an immediate need to make adjustments in the secretariat and to redeploy staff to initiate work in the new areas, but that should be considered a short-term measure. The more imperative need would be for augmenting the meagre personnel resources provided under the regular budget by a larger number of appropriate and highly competent professionals. While extrabudgetary resources should continue to be sought, it would be necessary to provide adequate regular budget resources so as to ensure the continuity of support for the new programmes of work. There was a strong case for such augmentation as the level of regular budget resources had remained static for a long time and as ESCAP was about to embark on an expanded programme of work. The Group urged the Executive Secretary to request the Commission to give serious consideration to the above and make appropriate and strong recommendations to the Economic and Social Council and the General Assembly.

52. The Group noted with appreciation the extrabudgetary support provided by various

donor countries, including some non-member countries, to the programme of work of the Commission. Those resources had greatly helped the secretariat to meet the demand for services from the member countries. The Group expressed the hope that generous donor countries would consider providing greater and sustained financial support to ESCAP as it expanded its activities on a selective and well-focused programme of work.

IV. REGIONAL ECONOMIC CO-OPERATION

53. The Group was of the view that, next only to the Commission's basic objective of economic and social development of the region was its objective of promoting and strengthening regional co-operation among the countries of the Asian and Pacific region, which was also a means for realizing its basic objective. It noted that until the 1940s, when a large part of Asia was under colonial domination, there was hardly any direct communication among the Asian countries. Leaders of the nascent independent Asian countries, with great foresight, emphasized the commonality among them as well as their interdependence and called for mutual understanding and support and collective action to regenerate their economies and improve the living standards of their peoples. It was at that time that the Economic Commission for Asia and the Far East (ECAFE) was established with a view to assisting the countries in their post-war reconstruction programmes. "Concerted action" by the countries was to be the guiding principle for the work of the Commission.

54. Since then, co-operation among the countries of the region had been growing steadily, facilitated by various factors such as the emergence of subregional groupings and a better understanding of the interdependence of the economies in the region. Certain other developments such as protectionism in other parts of the world, rapid expansion of trade and investment, diversity of production, rapid development of technology, better transport and communications and better resource management had stimulated further co-operation among the countries. The Commission had contributed steadily to those developments during the past four decades by providing a forum for ministers, senior officials and specialists to come together to exchange views and experience among the countries.

55. A recent study on regional economic co-operation undertaken by the ESCAP secretariat with the help of two consultants was made available to the Group. A survey of attitudes in a number of countries indicated support in principle for regional economic co-operation, emphasis on trade expansion rather than trade diversion, and greater co-operation in investment and technology transfer. But the perception of gains was different in countries at different stages of development. It was also not clear whether subregional co-operation or pan-Asian-and-Pacific co-operation was preferred. Ideas on institutional arrangements for promoting and guiding economic co-operation were also vague. The study, however, indicated a work programme that would promote regional economic co-operation in areas such as redirection of resource flows, restructuring of trade, expansion and restructuring of investment, acceleration of technology transfer and promotion of regional infrastructure.

56. The Group observed that there was a tendency to discuss regional co-operation mainly from the point of view of trade. However, trade was a necessary but not a sufficient condition for the economic development of any country and of the region. Although trade issues depended very

much upon market forces and the private sector's activities, there was a role for the Government's intervention in order to provide the necessary policy framework and incentives as well as to ensure the balanced development of all co-operating countries. Recognition of the important role that Governments could play to encourage and sustain development by *inter alia* utilizing the advantages offered by trade and co-operation among countries in geographical proximity was inherent in economic co-operation among developing countries (ECDC) and technical co-operation among developing countries (TCDC). From the early days, the member countries of the Commission had acknowledged that and the Commission had promoted and overseen the ECDC and TCDC programmes in the Asian and Pacific region.

57. Economic co-operation could be viewed in the light of better management of the natural resources of the region. Environmental protection, exploitation of natural resources and development of infrastructure in the region warranted regional co-operation. Restructuring of the economies for sustainable development clearly indicated the need for regional co-operation. Greater regional co-operation was indeed taking place but more deliberate efforts would facilitate both co-operation and sustainable development in the region.

58. The Group observed that the resource flows in the region, including, in particular, official development assistance and direct foreign investment, could significantly influence the nature and content of economic and technical co-operation among the countries in the region while serving as both motivating factors and powerful stimuli for the same. They could, in addition, serve as useful vehicles for transfer of know-how and technology and provide an impetus to the promotion of intraregional trade. Noting that more and more developing countries in the region were moving away from development strategies based on an import-substitution policy to those based on an export-oriented policy, the Group expressed the view that such a change would promote specialization in production activities, enhance productivity and competitiveness, facilitate transfer, adaptation and innovation of technology, and enable further expansion of interregional trade and investment flow. The Group noted in particular the potential for intraregional private investment flows.

59. The Group noted that diversification of economic factors in the region and the overall expansionary trend in the world economy, as well as appropriate implementation of policies for restructuring the economies, were essential prerequisites for long-term sustainable growth. The existence of an international free-trade system was crucial for intraregional as well as extraregional trade. Since those could contribute to regional development through creating dynamism of competition and complementarity, the region should have a common interest in rebuffing protectionism and ensuring a global free-trade system. Furthermore, considering that some countries in the region were still highly dependent upon the European and North American markets, and were therefore vulnerable to protectionist measures, regional economic co-operation for promoting intraregional trade and development would become very important.

60. The Group noted the existence of subregional organizations within the ESCAP region such as the Association of South-East Asian Nations (ASEAN), the South Asian Association for Regional Co-operation (SAARC), the South Pacific Commission (SPC), the South Pacific Forum and other groups such as Asia-Pacific Economic Co-operation (APEC) and Pacific Economic Co-operation Council (PECC). It was noted that at present there was very little interaction between the groups. Recently, however, some attempts were being made to

share experience on specific problems and develop areas of mutual co-operation, such as in public administration in SAARC and ASEAN countries or investment in ASEAN and South Pacific countries. The Group was of the view that subregional organizations should be considered "building blocks" for strengthening co-operation in the region as a whole. Through appropriate studies and consultations ESCAP should identify the kind of interaction that should be developed between ESCAP and the subregional organizations as well as among the organizations themselves. A conjoint effort of the subregional organizations and ESCAP should be to promote the concept of a community of Asian and Pacific nations. It was also noted that there were many countries of the region which did not belong to one or other of the subregional groups.

61. In looking into the future, the past achievements of ESCAP should not be lost sight of. The Mekong project was a fine example of such co-operation with a few riparian countries coming together to evolve plans and programmes for harnessing a mighty river which would benefit the people of all the participating countries. The "Mekong spirit" should be emulated in the context of developing other river basins in the region. Similarly, the achievements of the Asian Railway and the Asian Highway projects, transcending national borders, should not be forgotten. Such initiatives had great potential; political will among member countries and leadership by ESCAP would be needed to realize that potential.

62. The Group considered that there were problem areas common to many countries for which solutions might be found through the undertaking of comparative studies and the exchange of information among them, and through collective action by them, with ESCAP playing the role of a catalyst and a facilitator. The Group further recognized that the terms of reference of the Commission as well as the variety of activities, including research, that it had been engaged in were directed towards promoting and consolidating co-operation among the countries of the region and facilitating development. However, in many cases the achievements had been less than satisfactory, perhaps for two reasons. First, member countries were not fully committed to the concept of regional economic co-operation and their limited-term perception of national gains and losses in a stagnant situation prevented vigorous efforts towards co-operation. Regional economic co-operation warranted a long-term view of growth potential which was not always the time span of political leaders, nor did it always correspond with immediate populist ambitions. Second, efforts towards economic co-operation and use of various modalities were sporadic and fragmented. There was neither a sustained pursuit of the objective nor a comprehensive approach to regional economic co-operation. Initiatives such as the Asian Clearing Union or the Bangkok Agreement had begun with high hopes, had made some progress in the initial years and then had entered a phase of stagnation.

63. Recognizing those deficiencies and also the opportunities provided by both domestic and global changes, the Group felt that the time was ripe to give a special push to the concept of regional economic co-operation. A high-level advocacy mechanism could be considered to mobilize ideas on regional economic co-operation and promote initiatives with that purpose in view. The Group recognized the need for a high-level body within the intergovernmental structure subsidiary to the Commission for a more focused and targeted approach to the strengthening of regional economic co-operation.

64. The Group, after considering various alternatives, decided to recommend a standing committee for regional economic co-operation. It would be a small but high-level committee with clearly defined responsibilities. Since regional

economic co-operation depended so heavily on political will, it was considered that the representation on the committee should preferably be at the ministerial or subministerial level. It would be a representative body of a limited number of members rather than a body of all members and associate members.

65. The role of the non-regional members of the Commission was specially noted and their contribution in the development of the countries of the region was recognized. While the importance of non-regional members and their contribution was universally acknowledged, it was felt that the primary responsibility for regional economic co-operation should lie with the regional members. Since the body would report to the Commission, inputs from the non-regional members could surely be obtained in that forum. There could also be institutional arrangements for regular dialogue with the non-regional members. There could also be provision for inviting non-regional members to the sessions of the committee as and when deemed fit or necessary.

66. The Group considered that in the economic development efforts in the region there were various important actors. In addition to the national Governments there were the private sector and the non-governmental organizations. There were also the bilateral donors and the international or intergovernmental development and financial institutions such as the United Nations Development Programme, the World Bank, the International Monetary Fund and the Asian Development Bank. Any effort at regional economic co-operation must receive support from its actors. Therefore, the standing committee for regional economic co-operation should devise ways to involve those actors in its activities as appropriate. Dialogue with those actors could be organized; they could be invited to sessions of the committee or advisory committees could be formed with them.

67. The Group, after considering various options, recommended the following composition for the standing committee:

- Three members from the South Asian region: Afghanistan, Bangladesh, Bhutan, India, Islamic Republic of Iran, Maldives, Nepal, Pakistan and Sri Lanka
- Three members from the South-East Asian region: Brunei Darussalam, Cambodia, Indonesia, Lao People's Democratic Republic, Malaysia, Myanmar, Philippines, Singapore, Thailand and Viet Nam
- Two members from the North Asian region: China, Hong Kong, Japan, Mongolia and Republic of Korea
- Two members from the Pacific region: Australia, Commonwealth of the Northern Mariana Islands, Cook Islands, Federated States of Micronesia, Fiji, Guam, Kiribati, Nauru, New Zealand, Niue, Papua New Guinea, Republic of the Marshall Islands, Republic of Palau, Samoa, Solomon Islands, Territory of American Samoa, Tonga, Tuvalu and Vanuatu
- Two additional members from the general regional membership of the Commission.

68. The members would be appointed by the Commission for a term of two years on the recommendation of the concerned subregional constituencies for the first 10 members and of the regional membership of the Commission for the remaining 2 members. While the Group approved of the principle of rotation, it felt that there should be provision for re-election of members. It was recognized that the presence of countries with a large gross domestic product would be highly beneficial to regional economic co-operation and provision for re-election as well as for two additional members was

recommended to accommodate that concern. The standing committee would elect its chairman every year from among its membership.

69. After considering different views, the Group came to the conclusion that the committee should function as a mobilizer of ideas and a catalyst for actions by countries that promoted economic co-operation. It should essentially be an advocate for regional economic co-operation and a facilitator for actions decided upon by member countries. It should provide the intellectual basis for a move towards greater regional economic co-operation. It should carry out a review of global developments and their impact on the regional economies and then explore how it could provide an impetus to regional economic co-operation. It should carry out studies that could contribute to policy changes favouring regional economic co-operation in the countries of the region. A very important area of such study would be to instil among subregional organizations a common bond and a common way of handling issues.

70. The Group proposed the following terms of reference:

The standing committee for regional economic co-operation, under the overall direction of the Commission, shall serve to mobilize ideas on and facilitate regional economic co-operation. It shall:

(a) Review periodically:

(i) The impact of global economic developments in areas such as trade, investment flows, and industrial and technological development on the economies of the ESCAP region;

(ii) The future economic outlook of the region and structural adjustments needed to strengthen the economies of the region;

(iii) The macro-economic situation of and policy options for the region;

(iv) measures for strengthening regional economic co-operation in sustainable economic development.

(b) Undertake policy-oriented studies, formulate models for action, arrange for dialogue among member countries and subregional organizations, and disseminate results on issues relating to regional economic co-operation.

(c) Organize consultations with development agencies within and outside the region, international monetary and technical institutions, the private sector and donor countries as and when required.

(d) Undertake such other tasks as the Commission may direct from time to time.

V. OTHER RELATED ISSUES

(a) *Advisory Committee of Permanent Representatives and Other Representatives Designated by Members of the Commission*

71. The Group took note of the fact that ACPR was an important body, meeting every month, and, as constituted, was performing well, given its structure and representation. It had been particularly useful in reviewing the work programme and maintaining close communication between the secretariat and the members and associate members. It had also provided a sense of continuity in the secretariat's contacts with members and associate members and that role should be maintained with as wide a representation as possible.

(b) *Quality of Professional staff*

72. The Group commented on the quality of the Professional staff of the United Nations in general. While acknowledging that there were outstanding Professionals in the organization, it was of the opinion that there was considerable scope for improving the calibre and performance of the staff. Long-term contracts could have an adverse effect on the quality of work and should not find a place in a dynamic organization where competence, alertness and commitment were of paramount importance. The Group felt that in order to encourage originality and initiative and to maintain a high level of efficiency among the staff, international organizations should place a greater premium on recruiting bright and experienced professionals for a fixed period of three to five years, keeping the option open to retain them if their performance was of a high order. That might particularly attract professionals in universities and other institutions. While fully aware of the recruitment policies and procedures of the United Nations system, the Group requested the Executive Secretary to consider its suggestion of recruiting a larger number of qualified staff on a fixed-term basis. The Group also recommended that performance evaluation reports should be made more objective and should be able to contribute effectively to staff development and management.

(c) *Attribution of authorship*

73. The Group observed that according to the regulations of the United Nations, staff members, barring some exceptions, could not publish in their own name the results of research that they had carried out in the course of their work. It was pointed out that the restriction to publish papers in one's own name was a disincentive to plan and carry out research of high quality on the pressing problems of the region as well as a deterrent to the recruitment and retention of capable specialists in the different fields who could co-ordinate or conduct independent research.

74. The publication of the annual *Economic and Social Survey of Asia and the Pacific* and the statistical publications of ESCAP were highly appreciated by the members and associate members. An acknowledgement of the contribution of those who participated in their preparation would not only be appropriate but would serve as an incentive for greater efforts. A parallel was drawn from the practice obtaining in the World Bank and the Asian Development Bank, where such acknowledgements were made.

75. The Group requested the Executive Secretary to explore the possibilities of liberalizing the restrictions and permitting attribution in order to encourage better research on problems of concern to the members and associate members of the Commission.

(d) *ESCAP journal*

76. The Group observed that several divisions of the secretariat brought out different kinds of periodical publications. Some of those were newsletters directed to a general clientele, which disseminated information in popular language on the division's activities. Others were more of a scholarly nature incorporating research reports and invited papers and had a restricted circulation in the concerned professional community. The Group felt that it would be advisable for ESCAP to publish a quarterly or a bimonthly ESCAP journal, technical in nature and multidisciplinary in coverage. It should include reports on studies, projects and expert groups, and should be distributed widely to professionals and professional institutions, member and associate member Governments, and donor agencies and Governments. Such a journal would assist in increasing the visibility of ESCAP and in projecting its image as an important development institution in the Asian and Pacific region.

(e) *Resources for attendance in Commission sessions*

77. The Group noted that there was a paucity of resources for ESCAP to finance the participation

of its members and associate members in intergovernmental forums. In spite of the fact that its population comprised 54 per cent of the world population, the ESCAP share of the regular budget of the United Nations was the smallest among that of the regional commissions and had remained static over a period of years. The Group felt that that was unfair and suggested that the Commission should renew its efforts in the Economic and Social Council to rectify the situation. The Group recognized that there was a strong case for providing assistance to member countries, especially the least developed, land-locked developing and Pacific island countries, for participation in the Commission sessions.

(f) ***Execution of country projects***

78. It was noted that although ESCAP did not seem to have a clear mandate to execute country programmes, it had been providing direct assistance to members and associate members through its regional technical assistance projects and advisory services.

79. Regional projects were at times considered peripheral to the priorities of the countries and, therefore, countries were less enthusiastic about them. That tendency could have been caused by the post-war development of project-based funding for all technical assistance activities, at both intercountry and country levels. That could have affected the original concept of regional agency programmes being supportive of country programmes. In order to ensure the usefulness of regional projects, there was a need for a mechanism to link them more closely with country projects. Such a mechanism should primarily be worked out by the countries. It was only when a regional project was dovetailed to country programmes that it would become useful and the findings of the project put into operation in that country programme.

(g) ***Other organizations and institutions in the region***

80. The Group observed that there were several intergovernmental organizations and institutions in the region, many of which had been established by the Commission. Some of those had become fully autonomous intergovernmental entities pursuing their own mandates under the guidance of their respective governing bodies. It would be useful for ESCAP to help develop a greater degree of mutually beneficial co-operation among them as also between them and ESCAP. Given the limitation of resources at the disposal of ESCAP and those organizations and institutions as well as that of member countries, enhanced co-operation in establishing and implementing their respective programmes of work would help in ensuring more effective participation by member countries in their activities and in improving further the quality of output. For the institutions which had remained under the direct management responsibility of ESCAP, efforts had been generally harmonized but participation of member countries in those institutions needed to be further strengthened.

81. The Group considered that in restructuring the intergovernmental structure under the Commission, the possibility of harmonizing the actions of the various organizations and institutions and strengthening co-operation among them for the benefit of member countries should be borne in mind.

VI. SUMMARY OF RECOMMENDATIONS

82. The Group made the following recommendations:

(a) ***Thematic approach***

(1) Since a sectoral approach was slowly exhausting its utility, and in view of the comparative advantage of the multidisciplinary expertise of the staff of the secretariat, ESCAP should adopt a thematic approach to organizing its subsidiary structure which would be conducive to greater effectiveness in its work.

(2) Based on the perception of the current and emerging needs of the region as a whole, three themes should be selected initially: regional economic co-operation; environment and sustainable development; and poverty alleviation and economic growth.

(b) ***Intergovernmental structure subsidiary to the Commission***

(i) *Standing committee for regional economic co-operation*

(3) In view of the pre-eminence of the theme on regional economic co-operation, a standing committee for regional economic co-operation should be established as a small committee with high-level representation, preferably at the ministerial or subministerial level, meeting at least annually.

(4) Recognizing that the primary responsibility for promoting regional co-operation rested with regional members, the composition of the standing committee should be three members from the South Asian subregion which includes Afghanistan and the Islamic Republic of Iran; three members from South-East Asia which includes Cambodia, the Lao People's Democratic Republic and Viet Nam; two members from North Asia; two members from the Pacific subregion, which includes Australia and New Zealand; and two additional members from the general regional membership of the Commission.

(5) The members of the standing committee should be appointed by the Commission for a term of two years on the recommendation of the concerned subregional constituencies for the first 10 members and of the regional membership of the Commission for the remaining two members. While the principle of rotation of membership was desirable, there should be provision for re-election. The provisions for re-election and for the inclusion of two additional members would allow for the presence on the committee of countries with a large gross domestic product, which would be beneficial to regional economic co-operation. The standing committee would elect its chairman every year from among its membership.

(6) The standing committee should devise ways to involve other important actors in economic development fields, such as the private sector, non-governmental organizations, bilateral donors and international or intergovernmental development and financial institutions. Such actors could be invited to the sessions of the standing committee, or advisory committees could be formed which included them.

(7) The terms of reference of the standing committee should be as given in paragraph 70 of chapter IV.

(ii) *Other thematic committees*

(8) For the other two themes, committees on the environment and sustainable development, and on poverty alleviation and economic growth should be established composed of senior officials representing all members and associate members of the Commission, which would meet every two years.

(iii) *Technical committees*

(9) While keeping the objective of a thematic approach as the ultimate goal, a blend of sectoral and thematic approaches would be necessary for

a transitional period. Five technical committees, which would meet biennially, should be established on: energy development and natural resources; trade, industry and technology; population, human resources and social development; statistics; and transport and communications. The technical committees should be composed of senior officials and experts representing the membership of the Commission.

(iv) *Special bodies*

(10) In order to ensure that the special needs of disadvantaged groups of countries could be met adequately, two special bodies, one for the least developed and land-locked developing countries and one for the Pacific island countries should be established, meeting biennially, with membership open to all members and associate members of ESCAP.

(c) *Ad hoc ministerial conference*

(11) Noting with satisfaction the successful organization of many ministerial conferences, the Group felt that such conferences should continue to be convened by the Commission on an *ad hoc* basis to consider subjects of special concern to the members and associate members of the Commission.

(d) *Advisory groups*

(12) In addition to ACPR, which was functioning effectively as the advisory body to the Executive Secretary, an advisory board on development policy should be established, composed of representatives of Governments, academia and the private sector.

(e) *Resource requirement*

(13) For the purpose of implementation of the Group's recommendations, the secretariat should make adjustments in redeploying staff to initiate work in the new areas as a short-term measure. In addition, appropriate and highly competent Professionals should be recruited to augment the personnel resources under the regular budget. The Executive Secretary should request the Commission to give serious consideration to that subject and make strong recommendations to the Economic and Social Council and the General Assembly.

(f) *Fixed-term appointment of Professional staff*

(14) In order to encourage originality and initiative and to maintain a high level of efficiency, the Executive Secretary should consider recruiting a large number of staff on a fixed-term basis for a period of three to five years, keeping the option open to retain them if their performance was of a high order. Performance evaluation reports should be made more objective to enable them to contribute effectively to staff development and management.

(g) *Policy-oriented research*

(15) ESCAP should study policy-induced changes which had led to significant progress in the development process and spearhead a movement to help the members to evolve comprehensive policies based on scientific principles and on lessons learned in the past. In that context, the study and research capacities of ESCAP should be strengthened.

(h) *Attribution of authorship*

(16) The Executive Secretary should explore the possibilities of liberalizing the restriction on and permitting attribution of authorship by the secretariat staff in order to encourage better research.

(i) *ESCAP journal*

(17) ESCAP should publish a quarterly or bimonthly ESCAP journal, technical in nature, and multidisciplinary in coverage. That would assist in increasing the visibility of ESCAP and in projecting its image as an important development institution in the region.

(j) *Resources for participation in intergovernmental forums*

(18) Noting that there was a paucity of regular budget resources allocated to ESCAP in spite of the size of the population and development problems of the ESCAP region, the Commission should renew its efforts to rectify the imbalance in the regular budget of the United Nations in order that the participation in the Commission sessions of member countries, especially least developed, land-locked developing and Pacific island countries could be financed.

(k) *Linkage between regional projects and country projects*

(19) In order to ensure the usefulness of regional projects, a mechanism should be established to link them more closely with country projects so that they could become useful and be followed up in country programmes.

(l) *Co-operation with relevant organizations and institutions in the region*

(20) ESCAP should develop a greater degree of mutually beneficial co-operation among inter-governmental organizations and institutions in the region as well as between such organizations and institutions and ESCAP.

Annex I

TERMS OF REFERENCE OF THE STUDY ON THE INTERGOVERNMENTAL SUBSIDIARY STRUCTURE OF THE COMMISSION

1. The following are the terms of reference envisaged for the study:

2. Bearing in mind the relevant resolutions which were adopted by the Commission and the various stages in its evolution, to review and undertake a comprehensive and fundamental study of the role of the intergovernmental structure subsidiary to the Commission, and to recommend a more effective structure referring, *inter alia*, to the following aspects:

(a) Changing needs of the member countries in the light of emerging economic and social developments in the region;

(b) Changing scope of regional co-operation;

(c) Changing role of the Commission;

(d) Interdisciplinary character of the development issues and unique capacity of the Commission;

(e) Increased capability of the Commission in technical assistance activities;

(f) Maximization of resource efficiency.

3. To finalize the study and submit a report to the Executive Secretary by 20 December 1990 to enable him to incorporate, as appropriate, its recommendations in his report on the subject to the Commission at its forty-seventh session.

Annex II

LIST OF MEMBERS OF THE GROUP OF EMINENT PERSONS

1. **Mr. Saburo Okita** (Japan)

   Former Foreign Minister; currently Chairman of the Board, World Institute for Development Economic Research (WIDER); Chairman, Institute for Domestic and International Policy Studies; and Chancellor, International University of Japan

2. **Mr. Bi Ji-Long** (China)

   Former Under-Secretary-General of the United Nations in charge of the Department of Technical Co-operation for Development; currently the Chairman of the United Nations Association of China

3. **Prof. Kramol Tongdhamachart** (Thailand)

   Dean of the Faculty of Political Science, Chulalongkorn University, Bangkok, a former minister and is closely associated with the development efforts of the Government

4. **Mr. H.I. Jasin** (Indonesia)

   Senior official of the Ministry of Foreign Affairs; former Ambassador to Iran; former Permanent Representative of Indonesia to ESCAP in the early 1970s and one of the authors of the existing conference structure of the Commission

5. **Mr. Maurice Williams** (United States of America)

   Former Executive Director of the World Food Council; at present Secretary-General of SID Overseas Development Council in Washington, D.C.; former Senior Consultant appointed by the Director-General to study the role of the regional commissions in the economic and social sectors of the United Nations system

6. **Mr. B. Mahadeva** (Sri Lanka)

   Currently the Chairman of the National Development Bank of Sri Lanka; former Director, Asian and Pacific Development Administration Centre, Kuala Lumpur; served as the Chairman of the ESCAP Intergovernmental Meeting on Reassessment of the Programme Priorities of the Commission in 1982

7. **H.E. Mr. Abid Hussain** (India)

   Currently Ambassador of India to the United States; former Chief of ESCAP Division of Industry, Human Settlements and Technology; former Secretary, Ministry of Commerce; former Member, Planning Commission

8. **Hon. Senator Leticia Ramos Shahani** (Philippines)

   Former Permanent Representative of the Philippines to the United Nations; Assistant Secretary-General in-charge of the Vienna Centre for Social Development and Humanitarian Affairs; former Deputy Foreign Minister; currently a Senator

9. **H.E. Mr. Francis Bugotu, C.B.E., C.S.I.** (Solomon Islands)

   Former Secretary-General of the South Pacific Commission; currently, Permanent Representative of the Solomon Islands Mission to the United Nations, Ambassador to the United States of America, and High Commissioner to Canada

10. **Mr. A.M.A. Muhith** (Bangladesh)

    Former Finance and Planning Minister of Bangladesh; Chairman of the thirty-ninth session of the Economic and Social Commission for Asia and the Pacific in 1983; currently a senior consultant to UNDP

11. **H.E. Mr. Nguyen Trung** (Viet Nam)

    Ambassador of the Socialist Republic of Viet Nam to Thailand and the Permanent Representative to ESCAP

12. **Mr. Theo Arnold** (Netherlands)

    Director, Development Co-operation Asia Department, Ministry of Foreign Affairs; former Permanent Representative of the Netherlands to ESCAP; former Chief of the ESCAP Technical Co-operation Division

13. **Professor R.G. Ward** (Australia)

    Director, Research School of Pacific Studies, Australian National University

14. **H.E. Mr. Sang Yong Park** (Republic of Korea)

    Former Ambassador, Permanent Mission to the United Nations and other International Organizations in Geneva, Chancellor of the Institute of Foreign Affairs and National Security; Vice Minister of Foreign Affairs; Ambassador, Permanent Mission to the United Nations in New York; currently Ambassador at Large, Ministry of Foreign Affairs

Annex III

TERMS OF REFERENCE OF THE ECONOMIC AND SOCIAL COMMISSION FOR ASIA AND THE PACIFIC

As adopted by the Economic and Social Council at its fourth session, amended by the Council at subsequent sessions, and revised in consequence of various General Assembly resolutions.

The Economic and Social Council,

Having considered General Assembly resolution 46(I) of 11 December 1946, in which the General Assembly "recommends that, in order to give effective aid to the countries devastated by war, the Economic and Social Council, at its next session, give prompt and favourable consideration to the establishment of ... an Economic Commission for Asia and the Far East", and

Having noted the report of the Working Group for Asia and the Far East of the Temporary Sub-Commission on Economic Reconstruction of Devastated Areas,

Establishes an Economic and Social Commission for Asia and the Pacific with terms of reference as follows:

1. The Economic and Social Commission for Asia and the Pacific, acting within the framework of the policies of the United Nations and subject to the general supervision of the Council, shall, provided that the Commission takes no action in respect of any country without the agreement of the Government of that country:

(a) Initiate and participate in measures for facilitating concerted action for the economic reconstruction and development of Asia and the Pacific, for raising the level of economic activity in Asia and the Pacific and for maintaining and strengthening the economic relations of these areas both among themselves and with other countries of the world;

(b) Make or sponsor such investigations and studies of economic and technological problems and developments within territories of Asia and the Pacific as the Commission deems appropriate;

(c) Undertake or sponsor the collection, evaluation and dissemination of such economic, technological and statistical information as the Commission deems appropriate;

(d) Perform such advisory services, within the available resources of its secretariat, as the countries of the region may desire, provided that such services do not overlap with those rendered by the specialized agencies or the United Nations Technical Assistance Administration;

(e) Assist the Economic and Social Council, at its request, in discharging its functions within the region in connection with any economic problems, including problems in the field of technical assistance;

(f) In carry out the above functions, deal, as appropriate, with the social aspects of economic development and the interrelationship of the economic and social factors.

2. The territories of Asia and the Pacific referred to in paragraph 1 shall include Afghanistan, Australia, Bangladesh, Bhutan, Brunei Darussalam, Cambodia, China, the Cook Islands, Fiji, Guam, Hong Kong, India, Indonesia, Iran (Islamic Republic of), Japan, Kiribati, Korea, the Lao People's Democratic Republic, Malaysia, Maldives Mongolia, Myanmar, Nauru, Nepal, New Zealand, Niue, Pakistan, Papua New Guinea, the Philippines, Samoa, Singapore, Solomon Islands, Sri Lanka, Thailand, Tonga, the Trust Territory of the Pacific Islands, Tuvalu, Vanuatu and Viet Nam.

3. The members of the Commission shall consist of Afghanistan, Australia, Bangladesh, Bhutan, Brunei Darussalam, Cambodia, China,

Fiji, France, India, Indonesia, Iran (Islamic Republic of), Japan, the Lao People's Democratic Republic, Malaysia, Maldives, Mongolia, Myanmar, Nauru, Nepal, the Netherlands, New Zealand, Pakistan, Papua New Guinea, the Philippines, the Republic of Korea, Samoa, Singapore, Solomon Islands, Sri Lanka, Thailand, Tonga, Tuvalu, the Union of Soviet Socialist Republics, the United Kingdom of Great Britain and Northern Ireland, the United States of America, Vanuatu and Viet Nam, provided that any State in the area which may hereafter become a Member of the United Nations shall be thereupon admitted as a member of the Commission.

4. The associate members shall include the Commonwealth of the Northern Mariana Islands, the Cook Islands, the Federated States of Micronesia, Guam, Hong Kong, Kiribati, Niue, the Republic of the Marshall Islands, the Republic of Palau and the Territory of American Samoa.

5. Any territory, part or group of territories within the geographical scope of the Commission as defined in paragraph 2 may, on presentation of its application to the Commission by the member responsible for the international relations of such territory, part or group of territories, be admitted by the Commission as an associate member of the Commission. If it has become responsible for its own international relations, such territory, part or group of territories may be admitted as an associate member of the Commission on itself presenting its application to the Commission.

6. Representatives of associate members shall be entitled to participate without vote in all meetings of the Commission, whether sitting as Commission or as Committee of the Whole.

7. Representatives of associate members shall be eligible to be appointed as members of any committee, or other subordinate body, which may be set up by the Commission and shall be eligible to vote and hold office in such body.

8. The Commission is empowered to make recommendations on any matters within its competence directly to the Governments of members or associate members concerned, Governments admitted in consultative capacity, and the specialized agencies concerned. The Commission shall submit for the Council's prior consideration any of its proposals of activities that would have important effects on the economy of the world as a whole.

9. The Commission shall invite any Member of the United Nations not a member of the Commission to participate in a consultative capacity in its consideration of any matter of particular concern to that non-member.

10. The Commission shall invite representatives of specialized agencies and may invite representatives of any intergovernmental organizations to participate in a consultative capacity in its consideration of any matter of particular concern to that agency or organization following the practice of the Economic and Social Council.

11. The Commission shall make arrangements for consultation with non-governmental organizations which have been granted consultative status by the Economic and Social Council, in accordance with the principles approved by the Council for this purpose and contained in Council resolution 1296 (XLIV).

12. The Commission shall take measures to ensure that the necessary liaison is maintained with other organs of the United Nations and with the specialized agencies. The Commission shall establish appropriate liaison and co-operation with other regional economic commissions in accordance with the resolutions and directives of the Economic and Social Council and the General Assembly.

13. The Commission may, after discussion with any specialized agency functioning in the

same general field, and with the approval of the Council, establish such subsidiary bodies as it deems appropriate, for facilitating the carrying out of its responsibilities.

14. The Commission shall adopt its own rules of procedure, including the method of selecting its Chairman.

15. The Commission shall submit to the Council a full report on its activities and plans, including those of any subsidiary bodies, once a year.

16. The administrative budget of the Commission shall be financed from the funds of the United Nations.

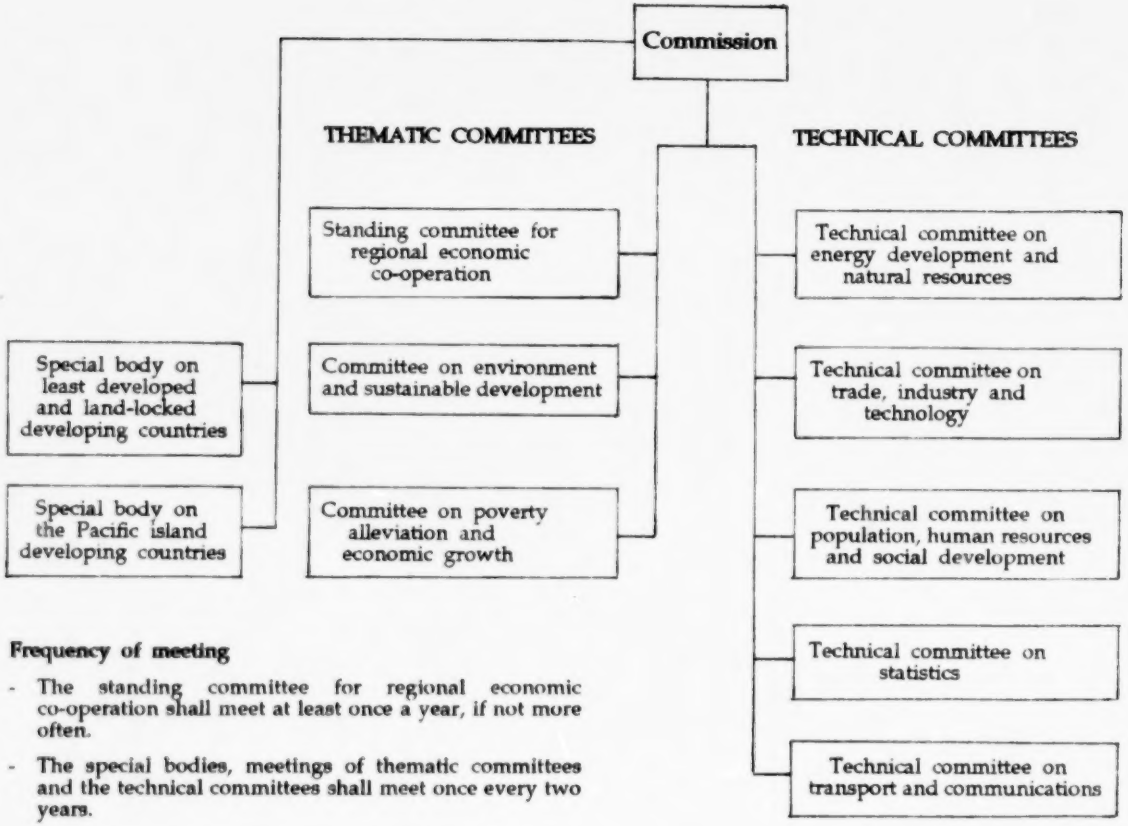
17. The Secretary-General of the United Nations shall appoint the staff of the Commission, which shall form part of the Secretariat of the United Nations.

18. The headquarters of the Commission shall be located at Bangkok, Thailand.

19. The Council shall, from time to time, make special reviews of the work of the Commission.

Annex IV

PROPOSED STRUCTURE


Commission
THEMATIC COMMITTEES
TECHNICAL COMMITTEES
Standing committee for regional economic co-operation
Committee on environment and sustainable development
Committee on poverty alleviation and economic growth
Special body on least developed and land-locked developing countries
Special body on the Pacific island developing countries
Technical committee on energy development and natural resources
Technical committee on trade, industry and technology
Technical committee on population, human resources and social development
Technical committee on statistics
Technical committee on transport and communications

Frequency of meeting

- The standing committee for regional economic co-operation shall meet at least once a year, if not more often.
- The special bodies, meetings of thematic committees and the technical committees shall meet once every two years.

Ministerial conferences

Ministerial conferences should be organized on an *ad hoc* basis on specific issues concerning areas such as the environment, industry and technology, international trade, population, poverty alleviation, social development, women in development, and urbanization.

Advisory bodies

- Advisory Committee of Permanent Representatives and Other Representatives Designated by Members of the Commission should be convened monthly by the Executive Secretary;
- Advisory board on development policies composed of representatives of Governments, academia and the private sector should be convened annually by the Executive Secretary.

Annex V

TASKS OF THE THEMATIC AND TECHNICAL COMMITTEES

Thematic committees

(a) *Standing committee for regional economic co-operation*

See terms of reference given in paragraph 70

(b) *Environment and sustainable development*

(i) Pollution control and alleviation

(ii) Sustainable ecosystem and management

(c) *Poverty alleviation and economic growth*

(i) Socio-economic aspects of agriculture

(ii) Integrated rural development

(iii) Urbanization

(iv) Employment opportunities

(v) Targeted programmes for reaching the benefits of growth to all sections of people

Technical committees

(d) *Energy and natural resources*

(i) Development and conservation of energy

(ii) Water resources

(iii) Mineral resources

(iv) Remote sensing

(e) *Trade, industry and technology*

(i) Trade expansion

(ii) Industry and technology

(iii) Industrial restructuring

(iv) Role of public and private sector

(v) Liberalization and deregulation

(vi) Transnational corporations

(vii) Tourism

(f) *Population, human resources and social development*

(i) Population planning

(ii) Human resources development

(iii) Social investment

(iv) Women in development

(v) Empowerment of people in decision-making

(g) *Statistics*

(i) Collection, compilation, analysis and interpretation of statistics

(ii) National accounts

(h) *Transport and communications*

(i) Multimodal transport

(ii) Land transport, including railways

(iii) Shipping, ports and inland waterways

(iv) Telecommunications